SUPREME COURT, U. S.
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IN THE

Supreme Court of the United States

October Term, 1974

No. 74-498

RESEARCH CORPORATION,
Petitioner,

vs.

NASCO INDUSTRIES, INC.,
Respondent.

RESPONDENT'S BRIEF IN OPPOSITION TO THE PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SEVENTH CIRCUIT

L. Paul Burd
William A. Braddock
Robert W. Gutenkauf
BURD, BRADDOCK & BARTZ
1300 Foshay Tower
Minneapolis, Minnesota 55402
Counsel for Respondent

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I.

Introduction

In this litigation for infringement of U. S. Patent No. 3,362,381 (the Farrell patent), Respondent, the alleged infringer, moved the District Court for summary judgment of patent invalidity. Judge James Doyle of the Western District of Wisconsin granted the motion, holding the patent not infringed and also invalid under the statutory grounds of 35 *U.S.C.* 102, as well as 35 *U.S.C.* 103. The Court of Appeals for the Seventh Circuit, without specifically rejecting the other finding of the District Court, affirmed the holding of invalidity under 35 *U.S.C.* 103. The opin-

ions of these Courts are affixed to the Petition for Writ of Certiorari.

In opposition to the Motion for Summary Judgment, Petitioner offered evidence of commercial success, long-felt need, failure of others, etc., which will be termed herein "secondary considerations". Both Courts below, without difficulty, found the patent invalid under 35 *U.S.C.* 103. Both Courts further held that the patent could not be salvaged by these secondary considerations and it is this holding with which Petitioner takes issue. In light of this holding and in the context of the present case, the questions presented for review by Petitioner are more aptly stated as follows:

1. Where a patent is plainly invalid under 35 *U.S.C* 103, will any amount of evidence of secondary considerations suffice to revive the patent?

2. Can secondary considerations pre-empt the statutory requirements of patent validity prescribed by 35 *U.S.C.* 103?

When so framed, the questions for review become rhetorical, and the absence of any necessity for review is emphasized.

Respondent advances herein various reasons why there is no need for the Court to review this case. None of the considerations governing review on certiorari as articulated in Rule 19 of the Supreme Court Rules are present. The law regarding the applicability of secondary considerations to gauge patent validity is well settled. Both the District Court and the Court of Appeals reached the correct decision.

II.

Considerations Governing Review on Certiorari are Not Present

Rule 19 of the Supreme Court Rules suggests considerations governing review on certiorari. None of these considerations are present here. There is no conflict between differing Courts of Appeals respecting the validity of the Farrell patent. Generally (although not always) the Court declines review of the validity of a patent where there is no conflict with respect thereto between decisions of Courts of Appeals. *General Talking Pictures Corp. v. Western Electric Co.*, 304 U.S. 175. Further, there is no District Court decision which conflicts with the decision of the Seventh Circuit Court of Appeals respecting the validity of the Farrell patent. There has been no decision in this case on an important question of federal law which has not been settled by this Court. There has been no decision in this case on a federal question which is in conflict with any applicable decisions of this Court. And, in particular, the Seventh Circuit has not rendered a decision which has departed so far from the accepted and usual course of judicial proceedings as to call for an exercise of this Court's power of supervision.

In essence, Petitioner seeks a review of the evidence by this Court, which this Court consistently declines. *General Talking Pictures Corp. v. Western Electric Co., supra.* In *Magnum Import Co. v. Coty*, 262 U.S. 159, Mr. Chief Justice Taft said (163) in speaking of the exercise of the jurisdiction to bring cases up by certiorari:

> "* * * the jurisdiction was not conferred upon this Court merely to give the defeated party in the Circuit Court of Appeals another hearing."

III.

The Law is Settled

The law respecting the applicability of secondary considerations to patent validity is well-settled. A review of the present case will not serve either to advance or further settle that law. The law is this: Where there is doubt as to patentability, then secondary factors such as commercial success and resolution of a long-felt need may be relevant as indicia of obviousness or non-obviousness; where there is no doubt as to patentability, these factors are not relevant. In the context of the present law, if, following the mandate of *Graham v. John Deere Co.*, 383 U.S. 1, the basic inquiries of 35 *U.S.C.* 103 are made and readily render the patent invalid, the secondary considerations are not relevant. Such is the present case. With the teachings of the patent clearly obvious in the light of the prior art under Section 103, evaluation of secondary considerations is not necessary or helpful.

In this regard, the law has changed little over the years. As early as 1877, in *Smith v. Goodyear Dental Vulcanite Co.*, 93 U.S. 486, 23 L. Ed. 952, the Court stated that, when patentability was in doubt, it was proper to consider commercial success. In *McClain v. Ortmayer*, 141 U.S. 419, it was held that commercial success could not breathe life into an invalid patent. In 1893, in *Duer v. Corbin Cabinet Lock Company*, 149 U.S. 216, the Court, while holding the patent invalid and addressing itself to the factor of commercial success, stated: "Were the question of patentability one of doubt, this might suffice to turn the scale in favor of the patentee."

Down through the years, the Court has been consist-

ent. The considerations of commercial success, resolution of a long-felt need, and the like, have been used to dispel doubt where doubt existed, but not to inject doubt where there was none. More recently, in *Dow Chemical Co. v. Halliburton Co.*, 324 U.S. 320, the Court stated (330):

> "Finally, petitioner claims that the Grebe-Sanford process has filled a long-felt want and has been a commercial success. But these considerations are relevant only in a close case where all other proof leaves the question of invention in doubt . . . Here the lack of invention is beyond doubt and cannot be outweighed by such factors."

More recently, of course, this doctrine of the applicability of secondary considerations has been affirmed by the Court in *Graham v. John Deere Co., supra,* and *Anderson's Black Rock, Inc. v. Pavement Salvage Co.*, 396 U.S. 57.

It is thus apparent that the law on this subject has been stable and settled for many years, and Petitioner advances no compelling reasons why it should be upset. Such was the law applied below in the present case. Rather, Petitioner cites numerous cases and contends that these cases represent instances of inconsistent application of the doctrine of secondary considerations. In particular, Petitioner presents a table of decisions comprised of a pair of decisions from each circuit, contending that each pair of decisions represents inconsistent application of evidence of secondary considerations. Examination of the cases cited reveals that Petitioner has done no more than select from each circuit one decision in which a patent was held valid, and one decision in which the patent was held

invalid. In no case is there any indication of a departure from the mandates of the *Graham* decision. Where there is no doubt as to the invalidity of the patent under 35 *U.S.C.* 103, the secondary factors of commercial success and resolution of a long-felt need are held insufficient to redeem the patent. Likewise, in those decisions where proper application of the inquiries specified under 35 *U.S.C.* 103 yields a valid patent, the patent is held valid without the necessity of inquiry into the secondary factors. Where there is a doubt, consideration of evidence of the secondary factors is relevant to the resolution of that doubt.

IV.

The Courts Below Reached the Correct Decision

The Farrell patent claims a method of branding an animal by applying to the skin of the animal an implement super-cooled with dry ice and alcohol, as a branding iron. The hair is temporarily eliminated and the regrowth of hair is white. The regrowth of hair, of course, conforms to the shape of the implement placed against the skin of the animal. The white regrowth of hair is used as a brand to identify the animal.

The invalidating prior art is an article by A. Cecil Taylor published in 1949 in the Journal of Experimental Zoology, entitled "Survival of Rat Skin and Changes in Hair Pigmentation Following Freezing". The article, in great detail, describes Dr. Taylor's experiments on rats. The skin of the animal was frozen by applying dry ice or a metal instrument super-cooled with dry ice and alcohol. The hair at the frozen site was temporarily eliminated, and the regrowth of hair was found to be white.

The District Court, well skilled in patent matters, care-

fully examined the patent and its file history, and the Taylor article. The District Court found that the Farrell patent added nothing to the Taylor disclosure other than possibly the recognition that the mark could be used as a means of identifying the animal. Therefore, the District Court encountered little difficulty in rendering the patent invalid under 35 *U.S.C.* 103. There was no doubt as to the invalidity of the patent. The District Court further determined that additional facts and evidence of secondary considerations could not salvage the patent, and therefore the rendering of a summary judgment was appropriate.

The Court of Appeals carefully considered the patent and the same prior art, and reached the same unavoidable conclusion that the patent is invalid under 35 *U.S.C.* 103. Having no doubt as to the invalidity of the patent, the Court of Appeals correctly determined that evidence of secondary considerations would not revive the patent. The Taylor article undeniably anticipated the Farrell patent by describing a process wherein a super-cooled implement was held to the skin of an animal for a sufficient time to freeze the skin of the animal and cause a resultant regrowth of white hair.

V.

Conclusion

At best, Petitioner seeks to have the Court review the evidence. Both the District Court and the Court of Appeals followed the letter and spirit of the law as it pertains to the questions presented by Petitioner, namely the effect of secondary considerations on patent validity. That law has long been well settled and its application is abundantly clear. It was correctly applied in the present case.

The inconsistencies alleged by Petitioner among the decisions of the various Courts of Appeals do not exist. There is no reason why the law as it stands relating to the secondary considerations should be changed.

Respondent is fully entitled to the relief which it has been awarded below. Accordingly, Respondent prays that the Petition for a Writ of Certiorari to the United States Court of Appeals for the Seventh Circuit be denied.

Respectfully submitted,

L. Paul Burd
William A. Braddock
Robert W. Gutenkauf
BURD, BRADDOCK & BARTZ
1300 Foshay Tower
Minneapolis, Minnesota 55402
Counsel for Respondent